

A Message from Commissioner Susan Bass Levin



Hello again! It is great to be back serving as the Commissioner of the New Jersey Department of Community Affairs (DCA) and Chair of the New Jersey Housing and Mortgage Finance Agency (HMFA). As we begin a new Administration with Governor Jon S. Corzine, DCA and HMFA stand committed to making housing

affordable in New Jersey through innovative programs designed to keep the cost of rental housing and home buying manageable.

At HMFA and DCA we have already clearly made a difference – we have met our goal of “Leading 20,000 Families Home” and now we are actively working on our special needs housing objectives and homes for those that are often most vulnerable.

Over the past two years alone we have provided over 1,000 Smart Start Loans. These loans offer families a second mortgage for down payment and/or closing costs up to 4 percent of the first

mortgage, providing them with an opportunity to achieve their dream of homeownership. We are going to be providing even greater opportunities for New Jersey families this year.

Governor Corzine’s housing policy caters to the needs of every segment of society from builders to working families without forgetting our elderly and mentally and physically challenged citizens. Our revitalization programs have infused a new life to our cities and towns bringing back their old glories. Our programs are not static. They change to meet our goals of increasing the stock of housing so that our citizens can have decent and affordable housing.

We are dedicated to making the lives of New Jersey’s citizens better. With innovative approaches to housing and community development, we look forward to once again working together as we build a better New Jersey. I know that great things await us in this new era.

Very truly yours,

Susan Bass Levin
Susan Bass Levin, Commissioner

Bayonne Community Action Project

The frigid weather on Martin Luther King Jr. day could not dampen the high spirits of everyone on hand to witness the opening of the Bayonne Community Action Project. Officials from the City of Bayonne, Hudson County and HMFA braved the temperatures to attend the groundbreaking of the project, which includes the rehabilitation of two multifamily structures into three 3-bedroom, twelve 2-bedroom and three 1-bedroom affordable apartments. The apartments will be managed by the Bayonne Housing Authority. The residents of Bayonne have already recognized this outstanding achievement as witnessed by the backlog of applicants the Authority has for this project.

The neighborhood features several parks along the Newark Bay waterfront, and is in close proximity to the Bayonne library, city hall and a hospital. There are several elementary schools, Bayonne high school, as well as a variety of churches in the immediate area.

The Bayonne Community Action Project was the first project financed through HMFA’s Small Rental Project Loan



Bayonne Mayor Joseph Doria, HMFA Executive Director Marge Della Vecchia, County Executive Tom DeGise and Rev. Gene Sykes, Bayonne CAP’s CEO, flanked by members of the Bayonne Community Action Project, Inc. break ground on this exciting project.

Program (5-25). The Small Rental Project Loan Program was established as a smart growth-financing tool, providing construction, permanent and subsidy funding for the acquisition, construction, preservation and rehabilitation of multi-family housing projects.

News and Noteworthy

HMFA Announces New Lender Incentives

In recognition of the need to fairly compensate our lenders and to stay competitive with the changing marketplace, the origination fee for our Home Buyer Programs has been increased to 2 percent of the first mortgage loan amount. This will result in a fee of \$2,700 on an average size loan of \$135,000. There's no cap on the 2 percent and a minimum fee of \$1,500 has been set so as not to penalize originators of small loans.

Even better, the fee increase was retroactive to all Home Buyer Program loans currently registered and in the pipeline as of March 17. It's extremely important that HMFA's loan program be as attractive to participating lenders as it is to borrowers.

“Lenders are the most important link between our loan programs and first-time and urban home buyers. Without their support, first-time and urban home buyers would have no access to the unique and beneficial funding opportunities that New Jersey Housing and Mortgage Finance Agency offers.”

– Susan Bass Levin, Commissioner

DCA & HMFA Increase Subsidy Limits for Home Express

Exciting News from DCA and HMFA! The maximum HOME EXPRESS subsidy limits have been increased! For projects receiving 9 percent and 4 percent tax credits, the maximum per unit limits are now \$40,000 and \$50,000 respectively, up from \$25,000 and \$35,000. The subsidy limit for income-restricted units under the 5-25 Program has been increased from \$35,000 to \$50,000 and the subsidy limit under the 80-20 Program is now \$50,000 per affordable unit. And it keeps getting better – the \$500,000 per project subsidy limit under the Deep Subsidy Program has now been removed. DCA and HMFA will continue to work together to create effective financing tools to support the creation of affordable housing.

Elizabeth's Portside II

With the demand for quality affordable housing at a premium in cities across New Jersey, low-income families in Elizabeth needed hope. “Hope” came by way of HOPE VI funding to the Housing Authority of the City of Elizabeth. Through its Affordable Rental Housing Subsidy Loan Program, HMFA provided additional funding for the 169 unit family development. Portside II is a model for developing well designed housing.

Special Needs Trust Fund Provides Housing for Residents in Need

As a result of legislation, the Special Needs Trust Fund was initiated to create 10,000 affordable housing units designed for people with mental illness and developmental disabilities. The goal is to eventually move 2,500 people who are currently housed in State mental facilities and developmental centers into homes. HMFA, as administrator of the Trust Fund, developed a Special Needs Program to address the goals of The Trust Fund. HMFA was quick to proceed with the initiative, approving 26 commitments for special needs projects, which will produce 313 units of supportive affordable housing. HMFA is aggressively pursuing the goals outlined by former Governor Codey, with 51 projects in the pipeline that will provide 587 additional units of affordable supportive housing. The Special Needs Trust Fund and HMFA are helping house more New Jersey residents with mental illness and developmental disabilities. For more information please contact Pam McCrory at 609-278-7456.

HRC Enhancement - Location, Location, Location

The New Jersey Housing Resource Center (HRC) has added a new and exciting “Mapping Feature” to its online service. Now, as you search for housing, you can map all of your options in each municipality. To check out this new feature visit us online at <http://www.njhousing.gov/>. Go to “Find Housing” and perform an initial search. Click “Show These Properties on Map” and the map you need is created.



2006 Tax Credit Allocation Schedule

Under HMFA's 2006 Spring Tax Credit Cycle, a total of \$8.6 million in credits will be available in the Family, Senior and Special Needs cycles. Awards are anticipated to be announced on or around June 13, 2006.

Programs and Events

East Camden Gets an "Extreme Makeover"

In an "Extremely" bold and ambitious move, the St. Joseph's Carpenter Society recently celebrated their 20th Anniversary by giving one lucky East Camden home an "Extreme Makeover" in just one week. Normally this type of rehabilitation takes 3 months to complete, but one week after contractors began their work, a once dilapidated house was transformed into a beautiful home with new walls, windows and full landscaping. This home is just one of 50 in the East Camden I Project, which received over \$3 million in construction financing and subsidy through HMFA's Market Oriented Neighborhood Investment (MONI) Program. HMFA is proud to be involved in projects like "Home in a Week" and in helping make this "Extreme" vision become reality.



Before ▲

After ▼



Housing Resource Center Honored Again

HMFA is proud to announce that the Housing Resource Center (HRC) is set to receive the NEW award for Best Practices in New Jersey State Government's "Special Merit Award" sponsored by the New Jersey Employee Awards Committee (NJEAC) and Quality New Jersey (QNJ). NJEAC and QNJ annually recognize the best programs and innovations that New Jersey Government has to offer. The award will be presented on May 1, 2006 at the War Memorial in Trenton during the NJEAC's Annual Employee Recognition Program.

The Certificate Program in Senior Housing Issues

In the fall of 2005, the Certificate Program in Senior Housing Issues was created as a collaboration between NJ-HMFA and Rutgers University's Center for Children and Families, Continuing Education and Professional Development Program. One of the first in the nation, the certificate program is designed to enhance the skills and knowledge of service coordinators, property managers and other building staff who work in senior citizen housing developments.

In order to obtain a Senior Housing Issues Certificate, participants must attend five required and two elective workshops. Topics range from the aging process, legal issues, ethical dilemmas and working effectively as a team for service coordinators and property management. For more information on the certificate program, please contact Maria DiMaggio, Social Services Administrator for NJ-HMFA at 609-278-7512 or Ada Saperstein, Program Coordinator for Rutgers University's Center for Children and Families, Continuing Education and Professional Development Program at 732-445-3178, ext. 152.

Contact us

Are you a developer seeking application information?

Are you a consumer seeking loan information?

Here are the numbers you need to know:

Consumer Mortgage Programs: 1-800-NJ-HOUSE

Assisted Living: 609-278-7529

Community Planning and Development: 609-278-7626

Multi-Family Development: 609-278-7527

Single Family Development: 609-278-7617

Special Needs/Supportive Housing: 609-278-7449

Tax Credits: 609-278-7577

Main Number: 609-278-7400

Website: www.nj-hmfa.com

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"Homefront" is produced and distributed by the New Jersey Housing and Mortgage Finance Agency. HMFA creates and implements programs to advance the rehabilitation, construction, preservation and financing of affordable housing for the State's residents, lenders, developers and contractors. HMFA is the state administrator for federal housing assistance programs and works in cooperation with State, municipal and non-profit agencies. HMFA secures program funding and operating expenses through the sale of taxable and tax-exempt bonds to private sector investors and is not dependent upon funding from the State Treasury.

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We hope to hear from you!

A Message from the Executive Director



At the New Jersey Housing and Mortgage Finance Agency (HMFA), we are committed to providing opportunities for homeownership and rental housing in New Jersey. With bold new approaches in innovative housing, HMFA is making the dream of living in a safe and secure community a reality for many hardworking low- and moderate-income families.

The passage of the Special Needs Housing Fund Act, P.L. 2005, c. 163 and the institution of the Special Needs Trust Fund boosted our on-going efforts to go beyond HMFA's traditional role. With this fund we now have the opportunity to deal with complex housing issues and provide quality homes for individuals with special needs, with a focus on those with mental illness. As administrators of the Trust Fund, HMFA took the challenge and developed a procedural manual facilitating

developers and service providers to take advantage of HMFA's financing for special needs housing costs. These costs include the acquisition of land, and new construction and renovation costs for housing.

HMFA committed \$5,200,000 from its Special Needs Housing Programs and over \$26,400,000 from the Special Needs Trust Fund. This funding will create housing opportunities for 411 individuals who may have otherwise been institutionalized or homeless.

Success propels us to accomplish more. Our diligent and dedicated staffs are prepared to heighten awareness of HMFA mortgages and extend technical and development assistance to our constituencies. We will continue working with community leaders, developers, mortgage lenders, and public and private sectors to provide shelter to our most vulnerable citizens while still developing and implementing creative approaches to affordable housing.

Marge Della Vecchia

Marge Della Vecchia, Executive Director



Jon S. Corzine
Governor,
State of New Jersey



Susan Bass Levin
Commissioner,
Department of
Community Affairs